(b) what mechanism is adopted in calculating the component of petroleum and natural gas in the cost of fertilizer production; and

(c) what are the reasons of frequent rise in the rates of fertilizers for which natural gas supplied remains under the control of Government?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) The farmgate price of urea has been increased by 20% w.e.f. 10.6.1994. This has been done to contain the mounting subsidy bill and to check imbalance in the use of various plant nutrients by extending special concessions on decontrolled phosphatic and potassic fertilizers during the current year.

(b) and (c) The cost of feedstock, petroleumbased or natural gas, in the manufacture of fertilizers is calculated on its actual price coupled with efficiency norms prescribed for each manufacturing unit.

Periodical increases in the administered prices of feedstocks are taken into account in calculating the retention price of each manufacturing unit. These revisions, however, do not automatically result in increase in the farmgate price of urea.

हिन्दुस्तान फर्टिलाइजर्स कारपोरेशन के नामरूप एकक के कर्मचारियों की छंटनी

3082. श्री अजीत जोगी: क्या रसायन और उर्वरक मंत्री यह बताने की कृपा करेंगे कि:

(क) क्या नामरूप स्थित हिन्दुस्तान फर्टिलाईजर्स कारपोरेशन के लगभग एक लाख कर्मचारियों की छंटनी की जा रही है;

(ख) यदि हां, तो उसका ब्यौरा क्या है;

(ग) क्या उनके लिए कोई वैकल्पिक सेवा योजना का प्रस्ताव किया गया है; और

(घ) यदि हां, तो उसका ब्यौरा क्या है?

रसायन और उर्वरक मंत्रालय में राज्य मंत्री (श्री एडुआर्डो फेलेरियो): (क) से (घ) 1.7.1994 को, हिन्दुस्तान फर्टिलाइजर्स कार्पोरेशन के नामरूप एकक में केवल 2623 कर्मचारी कार्यरत थे। इस समय, उनकी छंटनी का कोई प्रस्ताव नहीं है।

Effect of Imports on Penicillin

3083. SHRI CHATURANAN MISHRA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether with the free imports of many bulk durgs and drug intermediates, the prices will come down;

(b) if so, what will happen in the case of Penicillin; and

(c) what steps Government are taking for the survival of IDPL and HAL?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) to (c) Imports of bulk drugs and intermediates are governed by the provisions of Export and Import Policy (1992—97). 8 categories of bulk drugs/intermediates, including Penicillin are included in the Negative List of Imports, subject to import licence, taking into account the need to ensure adequate availability and to safeguard the interest of the indigenous basic stage manufacturers like M/s. Indian Drugs & Pharmaceuticals Limited and M/s. Hindustan Antibiotics Limited.

Penicillin produced by Torrent Spic and JK Plants

3084. SHRI CHATURANAN MISHRA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether it is a fact that Torrent Spic and JK plants which intend to start production in the next two years will have Penicillin production cost higher than HAL's; and

(b) if so, in what manner Government propose to restrict the Penicillin prices to substantiate and protect these producers?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS AND FERTILIZERS (SHRI EDUARDO FALEIRO): (a) and (b) The prices of bulk drugs are fixed/revised by the Government on the recommendations of BICP. BICP conducts detailed cost-cum-technical studies of production, consumption of raw materials, utilities, batch process details, conversion cost etc. The spot verification of the data by the technical and cost accounting experts of BICP is also conducted during the factory visits. The price of Penicillin was last revised in November, 1992. BICP has completed cost-cum-technical study for revision of the prices of Penicillin G and for this study the data relating to the indigenous manufacturers has been studied by the BICP. The data relating to Torrent, Spic and J.K. plants would also be studied by the BICP after these plants go into commercial production.

Drug Industry to invest in Basic Research

3085. SHRI CHATURANAN MISHRA: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether Government are working out a package of incentives to motivate the drug industry to invest in basic research rather than only in R&D in the new drug policy which is likely to be annunced soon;

(b) if so, the details thereof;

(c) whether it is a fact that only one company M/s HOECHST is doing basic research as against number of companies doing R&D activity;

(d) what steps Government are taking to encourage basic research in the country;

(e) what is the investment on basic research and R&D respectively; and

(f) whether it is a fact that M/s Ciba shelved the Basic Research due to lack of incentives from Government?

THE MINISTER OF STATE IN THE MINISTRY OF CHEMICALS & FERTILIZERS (SHRI EDUARDO FALERIO): (a) and (b) In addition to incentives already available for R&D work under the Drug Policy '86, consideration of ways and means to provide further incentives for R&D and to motivate drug industry to invest in basic research forms part of the Review of the Drug Policy '86.

(c) and (e). Details of R&D work, including basic research, undertaken by a company is dependent on its overall corporate policy from time to time and such details are not monitored by this Department.

(d) Yes, Sir. The Department of Science & Technology has identified Drug Technology Development as a thrust area for Research. An Expert Committee has been constituted by the Department of Science & Technology for R&D in the Drug Industry and the terms of reference of the Committee are:—

(i) to forge strong linkages between the Indian Drug Industry and academic institutions/national laboratories towards development of drug design;

(ii) to identify areas of drug research where project could be jointly undertaken by drug companies and academic institutions/national laboratories;

(iii) to support globally competitive technology development for crucial intermediates where India is a key player in the drugs;

(iv) to consider R&D projects jointly proposed by industry and academic institutions/national laboratories and recommend including the quantum of grants to be provided by the Government and industry. Such projects should be basically product and target oriented.

(v) to evolve appropriate mechanism for monitoring the R&D projects;

(vi) to suggest other measures required for promotion and development of drugs and pharmaceutical research and in particular the involvement of the industry in this endeavour.

(f) No, Sir.

Problems of Pharmaceutical Industry

3086. SHRI RAHASBIHARI BARIK: Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state: